letter addressed to Finance Minister has requested for a Special Assistance of Rs. 1000 crores for meeting the State Government's commitment to power sector reform.

Based on the decision taken in the NDC Sub-Committee meeting chaired by Union Finance Minister on 20.3.1999, an Official Committee was set up with Secretary, Planning Commission as its Chairman to monitor and review the fiscal reform programs of the States. Thirteen States including Government of Andhra Pradesh approached the Government of India with their fiscal reform programs and signed agreement for formulation and implementation of a credible and monitorable programme to achieve fiscal stability. The States which signed the MOU on fiscal reforms were given assistance in the form of extended ways and means advance and Additional Market Borrowing. Government of Andhra Pradesh was provided Rs. 500 crores as Additional Market Borrowings and Rs. 200 crores was released as Extended Ways and Means Advance during the year 1999-2000 as medium term assistance linked to their fiscal reform programme.

Clearance of private sector power projects in AP

5601. DR. ALLADI P. RAJKUMAR: Will the Minister of POWER be pleased to state:

(a) whether two private sector power projects proposed to be set up in Andhra Pradesh at Rangareddy and Nalgonda Districts are pending clearance from the centre; and

(b) if so, the steps proposed for early clearance to solve the acute shortage of power problem?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) No proposal for establishment of power projects by private sector in these districts is pending for accord of Techno- Economic Clearance (TEC) by the Central Electricity Authority (CEA).

(b) Does not arise.

Clearance of Cogentrix Power Project

5602. SHRI C. M. IBRAHIM: Will the Minister of POWER be pleased to state:

(a) whether the Cogentrix power project in Karnataka has since been given final clearance;

(b) if so,the details of the project, its cost and financial participation and collaboration therein; and

(c) the progress made in construction thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) The 1013.12MWMangalore Power Project being developed by the Mangalore Power Company (MPC) has tied up most of the required inputs/clearances including the Techno-Economic Clearance (TEC) of CEA. On December 22, 1999, GOI has also taken a decision to issue counter-guarantee to this project subject to certain conditions. The decision has been communicated to the Government of Karnataka (GOK).

(b) The Mangalore Power Project, which is based on imported coal, was accorded TEC by the CEA on 10.7.1996 (as amended till date) at a provisional cost of US $ 751.574 Million + Rs. 1580.89 crores (assuming a foreign exchange rate of 1 US $ =1 Rs. 31.50). The TEC provides for an Additional provisional cost of US $ 57.931 Million + Rs. 91.09 crores for installation of Flue Gas Desulphurisation Plant. Recently. M/s Cogentrix Energy Inc., who were one of the main promoters of the project and the MPC, have transferred their interests in the project and company to their partners, M/s China Light (Mauritius) Limited, M/s CLP Power International have proposed to implement the Mangalore Power Project along with an Indian partner (M/s Tata), who would hold 30% equity in the MPC and CLP Power International would retain atleast 50% shareholding. Other issues such as legal aspects regarding change in the partnership of Mangalore Power Company, amendments to Power Purchase Agreement, conditions laid down by the GOT for counter guarantee etc. are being examined by the Government of Karnataka and a communication in the matter is yet to be received from them.

(c) The project is yet to achieve financial closure and start construction work.

Construction of rural roads in Maharashtra

5603. SHRI VIJAY J. DARDA: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether a special scheme for construction of all weather rural roads have been launched;